

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1849 - SB 2004

February 25, 2022

SUMMARY OF BILL: Authorizes Local Education Agencies (LEAs) to adopt ACT, ACT Aspire, or SAT suites of standardized assessments as an approved testing alternative in math and English language arts for grades nine through twelve. Requires students in grade eleven taking such tests to also take the examination required in Tenn. Code Ann. § 49-6-6001. Requires LEAs to submit to the Department of Education (DOE) notice before switching to an approved testing alternative as well as submitting notice to the parents or guardians of the requisite students.

FISCAL IMPACT:

Increase State Expenditures – \$97,400/FY22-23 and Subsequent Years

Other Fiscal Impact – The use of alternative testing assessments may not comply with federal requirements or the approved Every Student Succeeds Act (ESSA) state plan model. This may jeopardize up to \$436,937,702 in annual federal ESSA state grant funds.

Assumptions:

- Students that are juniors in high school currently receive a voucher from the state to take the ACT as the required 11th grade assessment pursuant to Tenn. Code Ann. § 49-6-6001(b). As such, the cost estimate for this legislation is based on the use of the ACT Aspire suite of standardized tests.
- The state will not be required to purchase additional standardized tests.
- The combined variable cost associated with administering any TCAP, TNReady, or End of Course (EOC) test is estimated to be approximately \$2.15 per student.
- The minimum cost associated with purchasing the online ACT Aspire test is approximately \$25 per student.
- The cost for the Preliminary Scholastic Aptitude Test (PSAT) is \$18 per student.
- Given the cost difference between the two, it would be cost prohibitive for an LEA to elect to administer the ACT Aspire test in lieu of administering TCAP, TNReady, and EOC tests. As a result, it is estimated that few, if any, would elect to do so. For the purposes of this fiscal note, it is assumed that LEAs will make the most cost-effective decision. Therefore, any permissive change in local expenditures is estimated to be not significant.

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- DOE will still be required to prepare for the event an LEA chooses to opt into utilizing the ACT Aspire tests. This preparation would include performing certain activities at the state level to help administer two different suites of standardized tests each year. These duties include, but are not limited to, helping to prepare a test platform, setting testing windows, preparing for two annual regional meetings with LEAs that will use the ACT Aspire suite of tests each year; and communicating with the ACT Aspire test manufacturer. Given this, DOE will require one additional employee; regardless of how many LEAs opt into using ACT Aspire suite of tests and/or the SAT/PSAT.
- Any changes authorized under this legislation to the RANDA and SAS contracts are currently within DOE's budgeted plan and it is reasonably estimated that DOE will have funds within their budget to meet the annual maximum liability allocation in FY22-23 and FY23-24.
- The state assessment administration contract will be re-bid during FY23-24 and line-item costs of assessments will change based on the new contract values.
- DOE will require one additional Education Consultant 3 position beginning in FY22-23.
- There will be a recurring increase in state expenditures of \$97,378 [(\$77,568 salary + \$19,810 benefits) x 1 Education Consultant 3 position] in FY22-23 and subsequent years.
- Title 1 part A of the Every Student Succeeds Act (ESSA) requires measurement of state standards.
- The ACT Aspire suite is not aligned with state standards; and would therefore be out of compliance with federal ESSA requirements, resulting in a possible loss of federal funding at the discretion of the U.S. Department of Education. This may jeopardize up to \$436,937,702 in annual federal ESSA state grant funds.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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